

HOSPITAL STAKEHOLDER ENGAGEMENT MEETING

*Thursday July 9, 2020
2:00-4:00 PM*

*Friday, July 10, 2020
1:00-4:00 PM*

Location: Online Only

Conference Line: 1-877-820-7831 Passcode: 294442#

Topic Suggestions, due by close of business one week prior to the meeting. Send suggestions to diana.lambe@state.co.us or Andrew.abalos@state.co.us.

Welcome & Introductions

- **Thank you for participating today!**
- We are counting on your participation to make these meetings successful

GROUND RULES FOR WEBINAR

- WE WILL BE RECORDING THIS WEBINAR.
- ALL LINES ARE MUTED. PRESS *6 IF YOU WISH TO UNMUTE. PARTICIPANTS CAN ALSO UTILIZE THE WEBINAR CHAT WINDOW
- If background noise begins to interrupt the meeting, all lines will be muted.
- Please speak clearly when asking a question and give your name and hospital

Thank you for your cooperation

AGENDA

7/2020 Hospital Engagement Meeting Topics

Trevor Abeyta - Maternity Bundle Overview

Nancy Dolson - Special Financing Update

FY20-21 Inpatient Hospital Base Rates - How they are built

Separating Mom/Baby Claims effective 7/1/2020

Looking forward: Inpatient Base Rate Methodology Reform

IP Sub-Acute Care

EAPG Module Updates / CXT

FY20-21 Outpatient Hospital Base Rates

Drug Re-weight Status

Cost Settlements

Dates and Times for Future Hospital Stakeholder Engagement Meetings in 2020

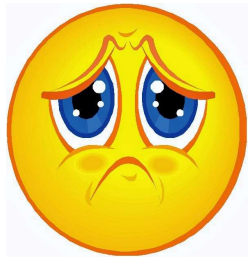
Dates of Meetings	Meeting Time
January 10, 2020	1:00pm-4:00pm
March 6, 2020	9:00am-12:00pm
May 1, 2020	9:00am-12:00pm
July 10, 2020	1:00pm-4:00pm
September 11, 2020	1:00pm-4:00pm
November 6, 2019	9:00am-12:00pm

The agenda for upcoming meetings will be available on our external website on a Monday the week of the meeting.

<https://www.colorado.gov/pacific/hcpf/hospital-engagement-meetings>

Please note the offset dates and times to work around holidays AND Medical Services Board

Staffing Update



Elizabeth Quaife has left the Department and we miss her!!



Welcome Janna Leo our new Hospital Policy Specialist!!

Inpatient Topics/Questions Submitted

Topic	Brief Description	Status
PAR	The PAR Team will communicate with hospitals prior to reinstituting Prior Authorizations and will specifically address whether newborns will need their own PAR at that time.	
Member Notification	We would like what notification needs to be send to HCPF and member? Letter, call or ICN? They are different type of letters as well: Notice to Colorado Medicaid Provider of illegal billing action Health First Colorado Medicaid Provider Notice Notice to Colorado Medicaid Provider of Unauthorized Billing Action	Correspondence has been sent to Legal and Member Call Center for complete guidelines. Awaiting response.

Inpatient Topics/Questions Submitted (cont)

Topic	Brief Description	Status
RAEs	Would Denver Health and Rocky Mountain HMO Medicaid plans still be the payer source for substance abuse claims or would those also go through the RAE? (Assuming Denver Health would go to CO Access and Rocky Mountain would go to their own RAE). Will the RAE be backdating their eligibility in the future? Will the RAE extend their timely filing requirements at all? Currently Medicaid allows for 1 year and the RAE are either 60 days or 120 days.	Hand off to Jeff Appleman who runs the BHO Monthly Meetings for group discussion.
HMS Audit Process	Ashley is meeting with the AG and HIO to find a solution to many of your questions and concerns over HMS retractions. The solution will be communicated via the Provider Bulletin	

Maternity Bundled Payment Program

Hospital Engagement Meetings

Presented by Trevor Abeyta

July 9th and 10th

Overview of the Program

Voluntary Participation: Obstetrician groups or health systems with a minimum delivery volume of 500 Medicaid-covered births per state fiscal year for the last two years are *encouraged* to participate.

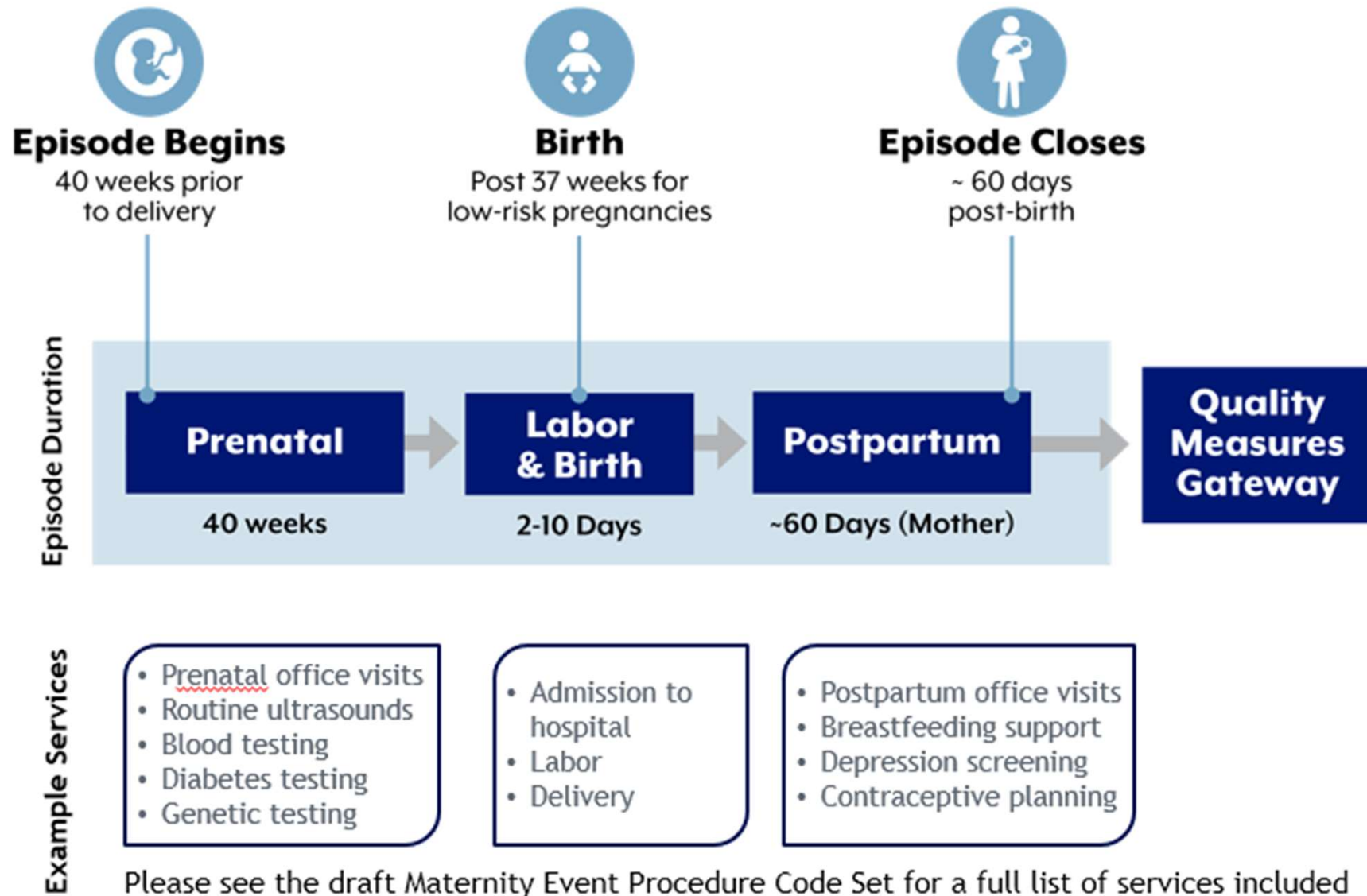
Prenatal, Delivery, and Postpartum Care: The episode of care will be retrospectively calculated based on delivery (includes 40 weeks prior and 60 days after).

Multi-Year Program:

Year One: Upside Risk Only

Year Two: Downside Risk Introduced

Colorado Bundle Design



Which Services Are Included?

The proposed program design would include services based on:

Claims that are submitted with a **maternity diagnosis code**

- *and* -

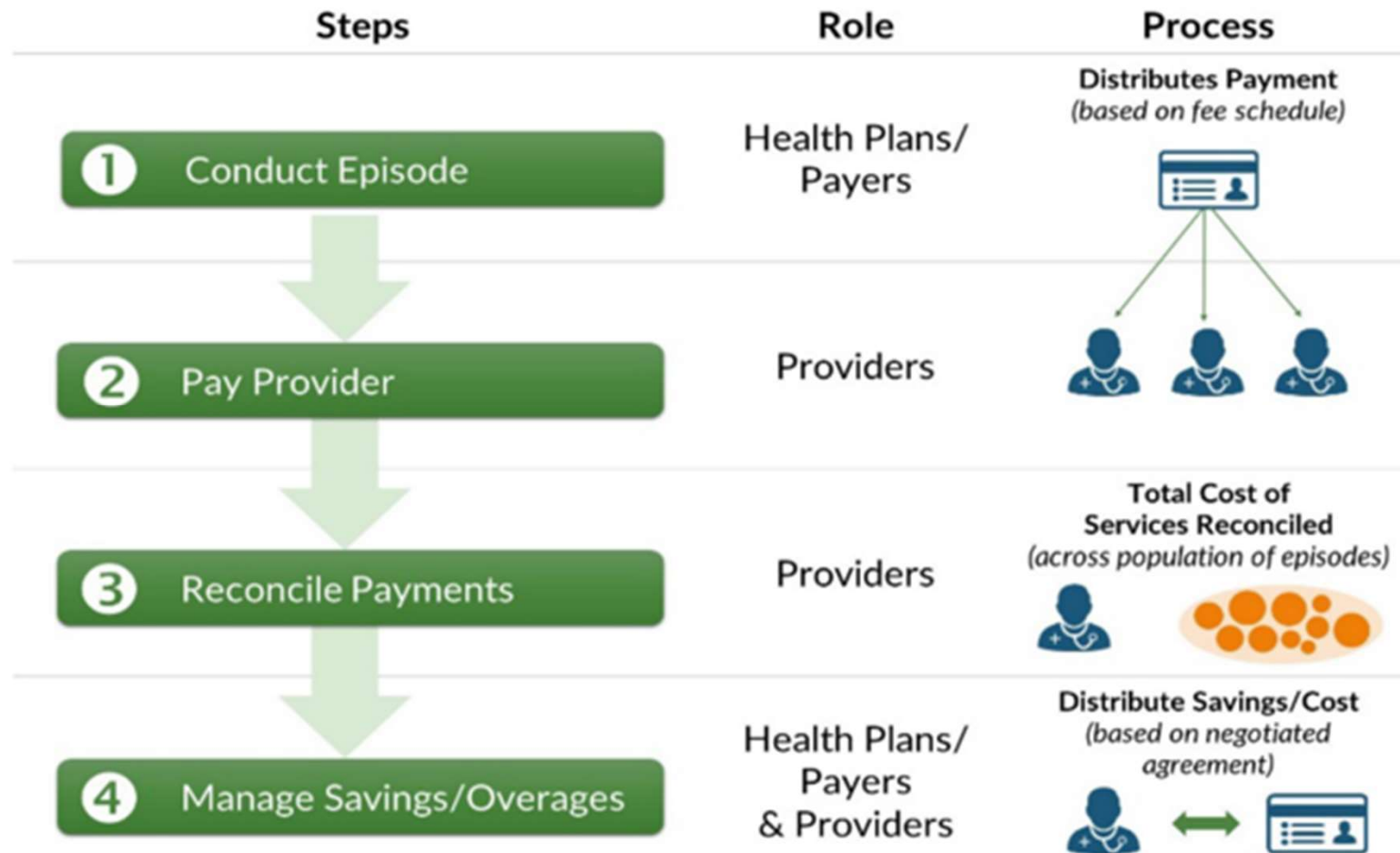
Billing codes that totaled **more than \$1,000** in historical claims

Included: Behavioral health screening during a prenatal visit

Not Included: Behavioral health screening *without* maternity diagnosis code

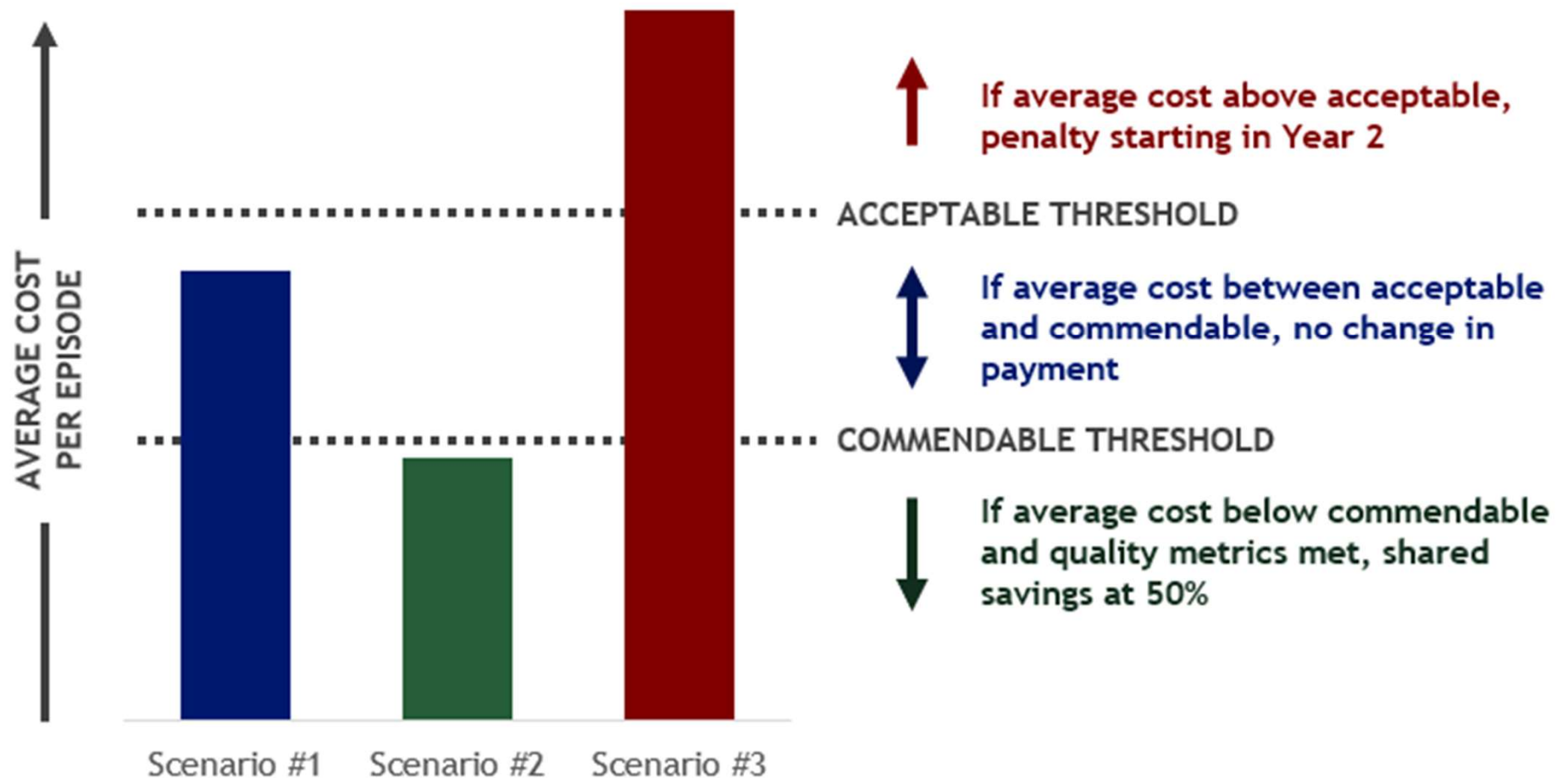
Please note: Each individual episode is triggered by a delivery code in the patient history. Services that are not part of a delivery-based episode are not included.

Retrospective Reconciliation Process



Source: [Health Care Payment Learning & Action Network, Clinical Episode Payment Models](#)

Incentive Payments



Mothers with Substance Use Disorder

- It is a goal of the state to improve outcomes for mother's experiencing SUD and their babies.
- Budgets and thresholds are calculated separately for SUD patients and non-SUD patients.
- HCPF has established a list of codes sets to identify patients with SUD.

Which Quality Measures Are Included?

Originally Proposed Quality Measures

HIV Screenings

Group B Strep Screenings

Elective C-Sections

Behavioral Health Risk Assessment (Prenatal)

Postpartum Depression Screenings

Gestational Diabetes Screenings

Contraception Care

Tdap Vaccines

Flu Vaccines

Participating in the Program

- Program participants have the opportunity to:
 - Meaningfully improve maternal and infant health
 - Provide input into the design of the program
 - Earn extra reimbursement through upside savings
 - Receive dedicated technical assistance from the Department

Timeline for Participation

August 1 →

Notify the Department of interest

September 1 →

Department deadline for sharing provider threshold data

October 1 →

Program officially launches; beginning of performance year

If you would like more information, please contact
Trevor Abeyta at 303.866.6192 or
trevor.abeyta@state.co.us

Nancy Dolson

Special Financing Division Director

Hospital Transformation Program (HTP)

Hospital Application Shared

- Draft application shared Oct 2019
- In-depth application training on site roadshows Feb – Mar 2020

COVID-19 HTP Pause

- Mar – Jun 2020

HCPF & CMS Negotiate Waiver

- Jul – Sep 2020

Waiver Approved

- Projected: Oct 2020

Hospital Applications Due

- Due end of Oct 2020 dependent on waiver approval
- Review & revision: Dec 2020
- Final approval & published: Jan 2021

Hospital Implementation Plan

- Due end of Jan 2021
- Review, revision and final approval: Mar 2021

Hospital Startup Activities

- Apr 2021 - Sep 2021
- Hospital project startup
- Community engagement

HTP
MORE
INFORMATION

Website:

[Colorado.gov/pacific/hcpf/colorado-hospital-transformation-program](https://colorado.gov/pacific/hcpf/colorado-hospital-transformation-program)

Newsletter:

[Colorado.gov/pacific/hcpf/http-newsletter-archive](https://colorado.gov/pacific/hcpf/http-newsletter-archive)

Email:

hcpf_COHTP@state.co.us

CHASE

2019-20 CHASE Model

- CHASE rules to Medical Services Board (MSB) on Friday, July 10
- Awaiting Centers for Medicare and Medicaid Services (CMS) approval to start claiming an enhanced Federal Matching Assistance Percent (FMAP) rate on several supplemental payments
- July's provider fees and supplemental payments will continue to be on an interim basis with transactions occurring on Friday, July 17
- Mailing out final FFY 2019-20 CHASE provider fee and supplemental payment letters by Wednesday, July 15 and will be
- Webinar Wednesday, July 22 from 10 a.m. to 12 p.m. MDT
 - Please register for the webinar by 11:55 p.m. on Tuesday, July 21
- Contact Jeff.Wittreich@state.co.us

FY20-21 Long Bill Signed...

- HB20-1360 signed by Governor Polis on June 22, 2020
- Authorizes a 1% across the board decrease in rates including base rates for:
 - Inpatient Hospital (DRGs, per diems)
 - Outpatient Hospital (EAPGs)
- Related State Plan Amendment documents to be submitted to CMS

How Inpatient Rates are Built

Colorado Medicaid Inpatient Base Rates are built on the Medicare Base Rate less Disproportionate Share (DSH) plus any Medicaid hospital-specific cost add-ons

A = Medicare Base Rates are built using data from each hospitals' most recently audited CMS Cost Report and data is provided by the hospital intermediary and the CMS Impact File. Data is input in yellow portion below and automatically distributed to Medicare Base Rate Calculation here

Hospital Name	HOSPITAL XYZ
DATA ENTRY - HOSPITAL INTERMEDIARY DRG DISCLOSURES	DATA ENTRY - Novitas
DSH FACTOR - OPERATING (DSH% from WPS)	0
DSH FACTOR - CAPITAL	0
IME FACTOR - OPERATING	0
IME FACTOR - CAPITAL	0
WAGE \$ AMOUNT	\$3,593.91
WAGE INDEX	0.9971
NON-WAGE \$ AMOUNT	\$2,202.72
HAC REDUCTION INDICATOR	N
UNCOMPENSATED CARE AMOUNT (DSH Add-On on WPS)	\$0.00
VBP ADJ (WPS fill in \$ Amount)	1.000000000000
HRR ADJ (WPS fill in \$ Amount)	1
HSP AMT FILLED IN? If Yes, calculate below (only applies to	N
LOW VOL PMT FILLED IN OR APPROVAL FROM CMS/NOVITAS	N
LOW VOL ADJUSTMENT FACTOR	1
HOSPITAL IS MEDICARE DEPENDENT HOSPITAL? (Impact File & Novitas)	N

OPERATING	
Labor Related Amount (Intermediary input)	\$3,593.91
Wage Index (Fill in using intermediary input above)	0.9971
Adjusted Labor Amount	3,583.49
Non-Labor Amount	\$2,202.72
Subtotal (Operating Federal Portion)	5,786.21
Enter Operating DSH Factor (fiscal intermediary)	0
O-DSH % (Disproportionate Share)	0
DSH AMOUNT	\$0.00
O-IME % (Indirect Medical Education)	0
IME AMOUNT	\$0.00
Hospital Specific Amount/Portion (HSP/HSA)	\$0.00
OPERATING TOTAL	5,786.21
Hospital Value-Based Purchasing (VBP) Adjustment	1.000000000000
Hospital Readmissions Adjustment Factor (RAF)	1.0000
OPERATING TOTAL w/Adjustments (1-VBP and 1-RA) / Adds net VBP & RAF dollar amounts for WPS hospitals	\$5,786.21
CAPITAL	
Standard Federal Rate (entered from IPPS Table 1)	\$462.33
GAF Geographic Adj Factor (Vlookup from IMPACT	0.9980
Adjusted Federal Capital Rate	\$461.41
C-DSH Factor (Disproportionate Share)	0
DSH Capital Payment	\$0.00
C-IME Factor (Indirect Medical Education)	0
IME Capital Payment	\$0.00
CAPITAL TOTAL	\$461.41
PLUS Low Volume Payment net of DSH	\$0.00
TOTAL DRG PAYMENT net of DSH	\$6,247.61
LESS 1% HAC Reduction \$ Amt net of DSH	\$0.00
Medicare Initial Rate net of DSH 2020-21	\$6,247.61

How Inpatient Rates are Built

Colorado Medicaid Inpatient Base Rates are built on the Medicare Base Rate less Disproportionate Share (DSH) plus any Medicaid hospital-specific cost add-ons

- A. Medicare Base Rates - DSH are built using data from each hospitals' most recently audited CMS Cost Report and data is provided by the hospital intermediary.
- B. The Medicaid hospital-specific cost add-ons shall be an estimate of the cost per discharge for nursery, neo-natal intensive care units, and Graduate Medical Education (GME). The GME cost add-on information shall be obtained from the audited Medicare/Medicaid cost report. Ten percent of the Medicaid hospital-specific cost add-ons shall be applied.

Hospital Name	A 10/1/2019 Medicare - DSH Initial Rate	Medicaid Rate (% of Medicare) for PPS	MEDICAID COST ADD-ONS (10% of Medicaid Cost Per Discharge)			FY 20-21 Rate with Medicaid Add-Ons Pending CMS Approval
		84.42%	B Nursery	B NICU	B GME	
HOSPITAL XYZ	\$6,247.61	\$5,274.47	\$20.00	\$0.00	\$60.00	\$5,354.47

How Inpatient Rates are Built

1. How much can we spend this year and remain budget neutral to FY2002-03?

- FY18-19 discharges are adjusted by the claim Volume Inflator designated by The Department for FY18-19 (1 + -1.59%) * FY19-20 (1 + 12.62%) which is an increase of 10.83% this year.
- Case Mix Index (CMI) is calculated for each hospital's FY18-19 discharges (Total DRG Weights/Total Discharges).
- FY2002-03 DRG Base Rates (adjusted by prior year Budget Actions) -
Note: this does not include the 1.0% decrease that is proposed in this year's Long Bill.

Inpatient Budget Amount	
Budget Year & Type of Action	Total
SFY 20-21 (Budget Neutral Amount)	\$963,268,316

Calculation = A*B*C

How Inpatient Rates are Built

2. Determine % of Medicare Rate

- Input 10/1/2019 Medicare Base Rates *minus* DSH (Disproportionate Share) *plus* Medicaid Add-Ons for all PPS Hospitals.
- Average peer group rates are calculated and attributed to all Critical Access Hospitals (CAH), low discharge hospitals and new hospitals as necessary.
- Pediatric Hospital Rates are decreased by the budget action of 1.0%.
- Run Goal Seek to find % of Medicare Rate that allows us to remain Budget Neutral to FY2002-03 Budget which is **\$963,268,316**.

Percent of Medicare Rate Table	
Percent of Initial Medicare Rate	SFY 20-21
At the Budget Neutral Amount	85.41%

How Inpatient Rates are Built

3. Apply Budget Action to PPS Hospitals to arrive at final percent of initial Medicare Rate

- Apply Budget Action of -1.0% to Budget Neutral Amount

Budget Year & Type of Action	Total
SFY 20-21 (Budget Neutral Amount)	\$ 963,268,317
SFY 20-21 Budget Action (1.0% decrease)	\$ (9,632,683)
Total SFY 20-21 w/Budget Action	\$ 953,635,634

- Distribute resulting amount to all PPS Hospitals to arrive at total budget for FY2020-21 of **\$953,635,634**.

Percent of Initial Medicare Rate	SFY 19-20	SFY 20-21
At the Budget Neutral Amount	86.10%	85.41%
With Budget Action/Legislative decrease of 1.0%	NA	84.42%

How Inpatient Rates are Built

- There are about 85 DRG in-state hospitals enrolled with Medicaid and the Budget Neutrality amount for SFY 2020-21 is ~\$954 million.
- The increase in the budget is largely due to a significant increase in expected discharges for SFY 2020-21. In fact, discharges are expected to increase by 12.6% this fiscal year.

Budget Year & Type of Action	Total
SFY 19-20 (w/1.0% increase Budget Action)	\$ 845,058,182
SFY 20-21 (Budget Neutral Amount)	\$ 963,268,317
SFY 20-21 Budget Action (1.0% decrease)	\$ (9,632,683)
Total SFY 20-21 w/Budget Action	\$ 953,635,634

How Inpatient Rates are Built

- Overall, the average rate change reflects a 1.0% decrease in addition to a change in Medicare base rates between FFY 18 and FFY 19.

Peer Group	Avg FY19-20	Avg FY20-21	% Change
Rural	\$7,044.05	\$6,749.67	-4.18%
Urban	\$5,536.96	\$5,491.16	-0.83%

10 rural hospitals normally create the rural peer group average. However, this year a hospital lost its low discharge status and was added to the average.

Unfortunately, that hospital helped bring down the rural peer group average even further.

- The final rates will not be loaded into the system until the Department receives approval from CMS. After which a mass adjustment will be done to reprocess affected claims.
- In the meantime, **the current hospital rates will be kept in place.**

Inpatient Rates Are Just Part of Whole Payment

- **IMPORTANT:** Please remember that the inpatient base rates that are used to calculate claim payments are just part of the Medicaid payments received by hospitals from The State of Colorado.
- Special Financing, Nancy Dolson's Group, also contributes greatly to the total dollars received by Hospitals on a yearly basis.

30-Day Inpatient Hospital Rate Review Period Ends 7.29.2020

Click [here](#) to go to FY20-21 30-day review rate notice. Hospitals have 30 days to review their rate calculation and let the State know if they think there is something incorrectly calculated or entered into the formula.



Official 30-day Inpatient Hospital Rate Review - Posting Date: June 29, 2020

This posting serves as notification of Fiscal Year (FY) 2020-21 Inpatient Hospital Base Rates for all Hospitals participating in Health First Colorado.

Hospitals are strongly encouraged to request the calculations used to arrive at their hospital's Medicaid base rate by sending an email to Diana Lambe at Diana.Lambe@state.co.us. Please remember to include hospital name and Medicare ID/Medicaid ID along with the request.

Once CMS approval is received, all hospital claims with last service dates from 7/1/2020 will be adjusted to reflect the new Inpatient Hospital Base Rate.

Hospital Base Rate Decrease FY2020-21: The inpatient hospital DRG base rates reflect the 1% provider rate decrease effective July 1, 2020, as detailed in Senate Bill HB20-1360.

Request for Informal Reconsideration or Appeal: Reimbursement rates for inpatient hospital services were calculated according to the regulations of the Colorado Medicaid Program. If you disagree with these figures, you may file a written request for informal reconsideration with the Department within thirty (30) days from the "posting date" listed in this communication. The request shall state the specific component of the rate the Provider wants reconsidered and the Provider's position. Requests that do not comply with the requirements of this section shall be considered incomplete and shall be denied.

If you desire an informal reconsideration for your hospital's Inpatient Base Rate, please send your written request including your position as to each identified concern regarding the rate determination to:

Diana Lambe
Fee-for-Service Rates Section
Department of Health Care Policy and Financing
1570 Grant Street
Denver, CO 80203

You may file an appeal of the decision on the informal reconsiderations with the office of administrative courts, as set forth at 10 C.C.R. 2505-10, Section 8.050.3.A-D:

- A. A Provider, other than a nursing facility whose notice of Adverse Action is regarding a rate determination, may appeal a notice of Adverse Action by filing a written appeal within thirty (30) calendar days from the date on the Notice of Adverse Action. The appeal shall be filed with the Office of Administrative Courts, Department of Personnel and Administration 1525 Sherman Street, Fourth Floor, Denver, CO 80203.

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www.colorado.gov/hcpf



Official 30-Day Inpatient Hospital Rate Review - Posting Date: June 29, 2020

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- B. The appeal shall specify the basis upon which the Provider appeals the Adverse Action.
- C. The date of filing the appeal shall be the date the Office of Administrative Courts receives the appeal. Failure to file a timely appeal shall result in dismissal of the appeal.
- D. No recovery of an overpayment shall be implemented until the appeal process has been completed.

Copies of the appeal shall be sent to:

Jennifer Weaver First Assistant Attorney General Department of Law, Health Care Unit Ralph L. Carr Colorado Judicial Center 1300 Broadway, 6th Floor Denver, CO 80203	Diana Lambe Fee-for-Service Rates Section Dept of Health Care Policy and Financing 1570 Grant Street Denver, CO 80203
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You may choose to file a formal appeal instead of requesting an informal reconsideration. You have thirty (30) days from the posting date listed in this communication to submit your formal appeal according to the instructions in 8.050.3.A-D detailed above.

To summarize, you have thirty (30) days from the posting date on this communication (6/29/2020) to request an informal reconsideration or submit a formal appeal if pertinent. If you have any questions regarding this process or hospital reimbursement, please contact Diana Lambe at diana.lambe@state.co.us or 303-866-5526.

Any hospital interested in additional information regarding their Inpatient Base Rate calculation is always welcome to contact Diana Lambe at diana.lambe@state.co.us or 303-866-5526.

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Medicare ID	Medicaid ID	Peer Group: Rural=R, Urban=U, Pediatric=P	Hospital System	Hospital Name	FY20-21 Rate with Medicaid Add-Ons Pending CMS Approval
060117	34172271	R		ANIMAS SURGICAL HOSPITAL, LLC	\$5,274.47
061336	05021001	R		ARKANSAS VALLEY REGIONAL MEDICAL CTR	\$6,788.03
061324	05057005	R		ASPEN VALLEY HOSPITAL	\$6,820.21
060103	05010301	U	CENTURA HEALTH	AVISTA ADVENTIST HOSPITAL	\$5,602.00
061303	05069000	R	BANNER	BANNER HEALTH EAST MORGAN COUNTY	\$6,877.19
060126	27804275	U	BANNER	BANNER HEALTH FORT COLLINS MED CTR	\$5,387.81
060027	05027008	U		BOULDER COMMUNITY HEALTH	\$5,293.77
060004	05004007	U	SCL HEALTH	BRIGHTON COMMUNITY HOSPITAL AS	\$5,748.48
060125	00675776	U	CENTURA HEALTH	CASTLE ROCK ADVENTIST HOSPITAL	\$5,428.80
061302	05063003	U		COLORADO CANYONS HOSPITAL	\$5,491.16
060044	64953238	R		COLORADO PLAINS MEDICAL CENTER	\$6,354.77
060054	05054002	U		COLORADO WEST HEALTHCARE SYSTEM	\$5,340.36
061308	05060009	R		CONEJOS COUNTY HOSPITAL	\$6,749.67
060071	05071006	R		DELTA COUNTY MEMORIAL HOSPITAL	\$6,217.66
061312	05088000	U		ESTES PARK MEDICAL CENTER	\$5,500.99
060116	06035728	U	SCL HEALTH	GOOD SAMARITAN MEDICAL CENTER	\$5,374.84
061317	05042007	R		GRAND RIVER HOSPITAL DISTRICT	\$6,749.67
061320	05070008	R		GUNNISON VALLEY HOSPITAL	\$6,840.55
061304	05058003	R		HAXTUN HOSPITAL DISTRICT	\$6,749.67
060034	28650051	U	HEALTHONE	HCA-HEALTHONE LLC DBA SWEDISH	\$5,505.81
060014	05014006	U	HEALTHONE	HCA-HEALTHONE LLC PRESB/ST. LUKES	\$5,844.94
061343	05043005	R		KEEFE MEMORIAL HOSPITAL	\$6,749.67
061313	78774080	R		KIT CARSON COUNTY HEALTH SERVI	\$6,795.38
061318	05090006	R		KREMMLING MEMORIAL HOSP DIST	\$6,749.67
061306	05062005	R		LINCOLN COMMUNITY HOSPITAL	\$6,749.67
060113	31474381	U	CENTURA HEALTH	LITTLETON ADVENTIST HOSPITAL	\$5,386.43
060003	05003009	U	CENTURA HEALTH	LONGMONT UNITED HOSPITAL	\$5,272.97
060128	9000158522	U	UC HEALTH	LONGS PEAK HOSPITAL	\$5,491.16
060009	05009006	U	SCL HEALTH	LUTHERAN MEDICAL CENTER	\$5,422.27
060030	05030002	U	BANNER	MCKEE MEDICAL CENTER	\$5,333.72
060100	05000104	U	HEALTHONE	MED CTR OF AURORA	\$5,276.33

Medicare ID	Medicaid ID	Peer Group: Rural=R, Urban=U, Pediatric=P	Hospital System	Hospital Name	FY20-21 Rate with Medicaid Add-Ons Pending CMS Approval
060118	89080785	R	CENTURA HEALTH	ST. ANTHONY SUMMIT MEDICAL CTR	\$6,430.28
060119	33835039	R	UC HEALTH	MEDICAL CENTER OF THE ROCKIES	\$5,332.32
060012	05012000	U	CENTURA HEALTH	ST. MARY-CORWIN MEDICAL CENTER	\$5,689.21
060013	36173371	R	CENTURA HEALTH	MERCY DURANGO/CATHOLIC HEALTH INITIATIVES	\$6,737.74
060006	05006002	R		MONTEROSE MEMORIAL HOSPITAL	\$5,716.24
061321	05033006	R		MT. SAN RAFAEL HOSPITAL	\$6,749.67
060107	05000112	U		NATIONAL JEWISH HEALTH	\$5,943.56
060001	05001003	U	BANNER	NORTH COLORADO MEDICAL CENTER	\$5,863.73
060065	05065008	U	HEALTHONE	NORTH SUBURBAN MEDICAL CENTER	\$5,313.23
060114	56572271	U	CENTURA HEALTH	PARKER ADVENTIST HOSPITAL	\$5,310.65
060020	05020003	U		PARKVIEW MEDICAL CENTER	\$5,739.87
060031	9000153822	U	CENTURA HEALTH	PENROSE-ST FRANCIS HEALTH SVCS	\$5,494.95
061325	50972260	R		PIONEERS MEDICAL CENTER	\$6,749.67
060064	05064001	U	CENTURA HEALTH	PORTER ADVENTIST HOSPITAL	\$5,227.07
060010	05010004	U	UC HEALTH	POUDRE VALLEY HEALTH CARE INC	\$5,717.83
061323	57972575	R		PROWERS MEDICAL CENTER	\$6,791.39
061307	05073002	R		RANGELY DISTRICT HOSPITAL	\$6,749.67
061301	05000203	R		RIO GRANDE HOSPITAL	\$6,749.67
060032	38977320	U	HEALTHONE	ROSE MEDICAL CENTER	\$5,663.18
060028	05028006	U	SCL HEALTH	SAINT JOSEPH HOSPITAL	\$6,167.90
061322	05050000	R		SALIDA HOSPITAL DISTRICT	\$6,883.17
060008	05008008	R	SLVRMC	SAN LUIS VALLEY HEALTH - CCH	\$6,005.23
061310	05052006	R		SEDGWICK COUNTY MEMORIAL HOSPI	\$6,810.11
060112	56557230	U	HEALTHONE	SKY RIDGE MEDICAL CENTER	\$5,972.79
061311	05085006	R		SOUTHEAST COLORADO HOSPITAL	\$6,749.67
061327	05002050	R		SOUTHWEST HEALTH SYSTEM, INC.	\$6,888.17
061316	05066006	R		SPANISH PEAKS REGIONAL HEALTH	\$6,749.67
060023	05023007	U	SCL HEALTH	ST MARY'S MEDICAL CENTER	\$5,721.94
061319	05029004	R		ST VINCENT GENERAL HOSPITAL	\$6,749.67

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Medicare ID	Medicaid ID	Peer Group: Rural=R, Urban=U, Pediatric=P	Hospital System	Hospital Name	FY20-21 Rate with Medicaid Add-Ons Pending CMS Approval
060015	05015003	U	CENTURA HEALTH	ST. ANTHONY HOSPITAL	\$5,337.48
060104	05000070	U	CENTURA HEALTH	ST. ANTHONY NORTH HOSPITAL	\$6,213.12
060118	89080785	R	CENTURA HEALTH	ST. ANTHONY SUMMIT MEDICAL CTR	\$6,430.28
060012	05012000	U	CENTURA HEALTH	ST. MARY-CORWIN MEDICAL CENTER	\$5,689.21
061344	28183266	R	CENTURA HEALTH	ST. THOMAS MORE HOSPITAL	\$6,749.67
060076	05076005	R	BANNER	STERLING REGIONAL MEDCENTER	\$7,241.22
061314	05046008	R		THE MEMORIAL HOSPITAL	\$6,785.41
060129	9000162098	U	UC HEALTH	UCHEALTH BROOMFIELD	\$5,255.79
060130	9000162079	U	UC HEALTH	UCHEALTH COLORADO SPRINGS	\$5,274.47
060131	9000176027	U	UC HEALTH	UCHEALTH GREELEY	\$5,491.16
060132	9000176028	U	UC HEALTH	UCHEALTH HIGHLANDS RANCH	\$5,491.16
061326	22981551	U	UC HEALTH	UCHEALTH PIKES PEAK REGIONAL H	\$5,491.16
060022	09257829	U	UC HEALTH	UCH-MHS	\$5,362.81
061328	16455576	R		UPPER SAN JUAN HLTH SVC DIST	\$6,749.67
060096	05161005	R		VAIL CLINIC, INC. VAIL HEALTH HOSPITAL	\$10,377.35
060075	05075007	R		VALLEY VIEW HOSPITAL	\$5,767.01
061300	05047006	R		WEISBROD MEMORIAL EXTENDED CAR	\$6,749.67
061309	05053004	R		WRAY COMMUNITY DISTRICT HOSPIT	\$6,809.29
060049	9000134472	R	UC HEALTH	YAMPA VALLEY MEDICAL CENTER	\$9,145.65
061315	05056007	R		YUMA DISTRICT HOSPITAL	\$6,749.67
				URBAN TEACHING HOSPITALS	
060011	92927246	U		DENVER HEALTH HOSPITAL	\$7,163.76
060024	05024005	U	UC HEALTH	UNIVERSITY OF COLORADO HOSPITAL	\$6,555.09

Medicare ID	Medicaid ID	Peer Group: Rural=R, Urban=U, Pediatric=P	Hospital System	Hospital Name	FY20-21 Rate with Medicaid Add-Ons Pending CMS Approval
				PEDIATRIC HOSPITAL	
063301	9000168326	P		CHILDREN'S HOSPITAL COLORADO	\$8,675.92
063303	9000174410	P		CHILDREN'S HOSPITAL COLORADO	\$8,675.92
PEER GROUP AVERAGE RATES:					
Includes New Hospitals, CAH (Critical Access Hospitals), Low Discharge Hospitals & Out-of-State Hospitals					
PEER GROUP AVERAGE - URBAN					\$5,491.16
PEER GROUP AVERAGE - RURAL					\$6,749.67
OUT-OF-STATE PEER GROUP AVERAGE - URBAN (90%)					\$4,942.04
OUT-OF-STATE PEER GROUP AVERAGE - RURAL (90%)					\$6,074.70
LTACs & REHABILITATION HOSPITALS / PSYCHIATRIC HOSPITAL PER DIEM RATES					
LTACs & Rehabilitation Hospitals moved to a per diem rate on 7/1/2019. Psychiatric Hospital rates are also listed on the Inpatient Hospital Per Diem Reimbursement Page. Please visit the link below.					
https://www.colorado.gov/pacific/hcpf/inpatient-hospital-diem-reimbursement-group					

Please note: Urban = county hospital resides in is part of an MSA, Rural = county is not part of an MSA.



Separating Baby from Mother's Claim

- Implementation date effective on claims with To Dates of Service \geq 7/1/2020.
- Mother's delivery and baby's birth claims should be filed separately with individual Medicaid IDs.
- Detailed information regarding changes in payment are available on the March 6, 2020 [Hospital Engagement Meeting](#). A New APR-DRG Weight Table (Version 33) has been loaded to the [Inpatient Hospital Payment page](#).
- Prior Authorizations are currently on hold.
 - The PAR Team will communicate with hospitals prior to reinstituting and will specifically address whether newborns will need their own PAR.

Looking Forward: New Base Rate Methodology

Underlying Base Rate Methodology:

- Initially looked at a cost-based approach (presented in January meetings)
 - Process involved costing Medicaid claims for each hospital
 - Options for hospital-specific, peer group, or statewide rates
- Now looking into the national operating standardized amounts for a statewide rate as the starting point
 - Every hospital starts with the same underlying base rate
 - Published annually in Federal Register
 - FFY 2020 = \$5,796.63
 - Add-ons will adjust each hospitals base rate

New Base Rate Methodology

- We are still considering options for peer groups
- The peer group definitions will be used to impact components of the payment methodology (e.g. base rate add-ons, weight sets, etc.)
- These peer groups will be developed to align with other Colorado initiatives like the Public Option and the Hospital Transformation Program

Hospital Peer Groups and Definitions

Add-Ons / Levers to Evaluate:

- Medical Education
 - DGME - Direct Graduate Medical Education
 - IME - Indirect Graduate Medical Education
- Current Nursery/NICU add-ons
 - Still necessary with Mother/Baby claim splits?
- Peer group Add-On
 - Single Add-on amount per established peer group
 - Can be calculated using aggregated hospital cost or prior reimbursement.
- Pediatric Claims
- Hospital Readmissions
- Value Based Purchasing
- HAC Reduction
- Value Based Payment

New Base Rate Methodology

Timeline:

- Targeting July 1, 2021 implementation
- Mom/baby claim separation impact on modeling
- Continued updates at stakeholder engagement meetings

Inpatient Subacute Care

Only Effective During the Public Health Emergency

Emergency Rule:

Passed April 23, 2020

Emergency SPA:

SPA #20-0012 Approved May 20, 2020

- Inpatient Subacute Care is equivalent to the medically necessary level of care administered by a skilled nursing facility (SNF) for skilled nursing and intermediate care services as defined in 10 CCR 2505-10, Sections 8.406 and 8.409.
- May be provided in:
 - a hospital;
 - or a hospital's CDPHE approved alternate care sites.

Inpatient Subacute Care cont'd

Only Effective During the Public Health Emergency

Billing Guidance:

IP Subacute Care must be billed on a separate claim

- Claim for IP Subacute Care should ONLY use revenue code 190, no other services should be billed on the claim
 - IP Subacute Care is paid at \$235 per diem rate
- If the member is transferred to IP Subacute Care from an IP status, use patient status code 70 on the initial IP claim.

Please hold the IP Subacute Care claims until more information is released. Currently, the claims will deny.

EAPG Module Update

- 3M released new module 06/25/2020
 - Version 2020.2.0
 - Quarterly CPT/HCPCS updates
 - Implemented into system July 1, 2020
 - No changes in Colorado payment policies
- EAPG Version 3.10 remains in effect

EAPG Module Update

- 3M to release new module in July
 - Specific date not available
 - Code updates / mappings in response to Covid-19 (April 1, 2020)
 - 87426 - EAPG 396 (Level I Microbiology Tests)
 - 0223U - EAPG 397 (Level II Microbiology Tests)
 - 0224U - EAPG 394 (Level I Immunology Tests)
- EAPG Version 3.10 remains in effect
- Implementation estimated for Wednesday following 3M's release

Claims Xten / EAPG Modifications

- Department staff working to modularize claims editing component during claims processing
- EAPG claims will rely on 3M software for pricing to a greater extent
- Increased amount of information coming from 3M relating to billing guidance, claims editing
- Late 2020 (specific date not available)

Claims Xten / EAPG Modifications

- Pricing Modifications to take place:
 - NCCI/MUE Editing to longer occur in interChange
 - Functionality will instead exist in 3M's module
 - Inpatient Only Lists (EAPG, Medicaid)
 - Observation Hour Logic
 - Enforcing policy of limiting Observation stays to a maximum of 48 hours
 - Potentially others
- Greater pricing accuracy for 3M software licensees

SFY20-21 Outpatient Hospital Base Rates

- 1% Decrease applied directly to Outpatient Hospital Base Rates
- For example, if base rate for SFY20 is \$100, SFY21 rate will be \$99
- Rates by NPI with Appeal Rights posted to [Outpatient Hospital Payment](#) page

Drug Re-weight Status

- Drug Type EAPG weights to be adjusted for Critical Access, Medicare Dependent, and non-independent hospitals (see previous engagement meetings)
- MSB approved this rule effective June 1, 2020, SPA submitted to CMS June 30, 2020
- Following CMS approval will be implementation in interChange
 - CMS Approval Date Uncertain

Mass Adjustments to OP Claims

- Two payment policy changes that have yet to be implemented - 1% Decrease, Drug Re-weight
- Proposed adjustment strategy - await CMS approval for both SPAs, then perform adjustments in a single batch
- Concerns regarding claim volume?

Outpatient Cost Settlements

- Cost settlements for pre-EAPG implementation periods (10/30/2016 and prior) previously paused to ease financial burdens caused by Covid-19
- Scheduled to resume next week
 - Demand letter distribution
 - Resuming ongoing payment plans
- Contact Andrew Abalos for questions

Questions, Comments, & Solutions



Thank You!

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